

Approved For Release 2003/09/29 : CIA-RDP80R01731R003700040011-0

~~TOP SECRET~~  
~~SECURITY INFORMATION~~

25X1

NSC REVIEW  
COMPLETED,  
8/19/2003

# NATIONAL SECURITY COUNCIL

## STATUS OF PROJECTS

as of

December 10, 1951

~~TOP SECRET~~

Approved For Release 2003/09/29 : CIA-RDP80R01731R003700040011-0

**WARNING**

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE LAWS, TITLE 18, U. S. C., SECTION 793 AND 794, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW.

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

-----  
1. COMPLETED PROJECTS

(December 3, 1951 - December 10, 1951)

THE SITUATION IN THE FAR EAST  
(NSC Action No. 586)

THE POSITION OF THE UNITED STATES WITH RESPECT TO SWITZERLAND  
(NSC 119; Memo for NSC from Executive Secretary, same subject,  
dated December 5, 1951; NSC Action No. 587)

NSC 86/1  
(Progress Report, dated September 20, 1951, by the Acting  
Director of Central Intelligence on NSC 86/1; NSC Action  
No. 588)

DISSOLUTION OF THE SPECIAL COMMITTEE ON EAST-WEST TRADE  
(Memo for NSC from Executive Secretary, same subject,  
dated November 16, 1951; NSC Action No. 590)

2. PROJECTS UNDER CONSIDERATION BY THE NSC

A. ITEMS SCHEDULED ON AGENDA FOR THE 109TH NSC MEETING ON  
WEDNESDAY, DECEMBER 12, 1951;  
(Agenda dated December 7, 1951)

THE SITUATION IN THE FAR EAST

For discussion of the subject in the light of an oral briefing by the Chairman, Joint Chiefs of Staff, on the military situation in Korea. Scheduled as item 1.

A NATIONAL PETROLEUM PROGRAM  
(NSC 97 and NSC 97/1)

At the direction of the President, a letter from the Acting Secretary of Defense on the subject (NSC 97) was referred to the Director of Defense Mobilization to develop a national petroleum program leading to the complete supply of Allied requirements, for consideration by the NSC. Draft interim report on the subject, prepared by the NSC Staff including representatives from the Petroleum Administration for Defense, was submitted to the Council as NSC 97/1. The Attorney General and the Secretaries of the Interior and Commerce have been invited to participate with the Council, the Secretary of the Treasury and the Director of Defense Mobilization in action on this report. Scheduled for consideration as item 2.

TOP SECRET

25X1

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)B. ITEMS AWAITING SUBSEQUENT NSC CONSIDERATIONUNITED STATES OBJECTIVES, POLICIES AND COURSES OF ACTION IN ASIA

(NSC Action No. 420-d)

Upon consideration of NSC 101/1, on "U. S. Action to Counter Chinese Communist Aggression", the Council requested the Department of State to prepare a study of the effect upon China and other Eastern countries of continued U. S. support of Chiang Kai-shek, (NSC Action No. 420-d). On July 10, and again on September 27 the Senior NSC Staff agreed to recommend to the Council for its consideration cancellation of this study. At its meeting on November 20, in connection with a review of the NSC Status of Projects, the Senior Staff agreed that this recommendation should be placed on the Council agenda simultaneously with the related report on "U. S. Courses of Action in Korea" (See below). Awaiting preparation by the Senior Staff of the report on "U. S. Courses of Action in Korea," and Council action on the above recommendation by the Senior Staff.

UNITED STATES OBJECTIVES AND COURSES OF ACTION IN KOREA

URGENT PROJECT 7

(NSC 118 and NSC 118/1; Memo for NSC from Executive Secretary, subject, "United States Courses of Action in Korea," dated September 5, 1951; NSC Action No. 562; NSC 48/5; Progress Report dated September 25, 1951, by the Secretaries of State and Defense on NSC 48/5)

The Council, at its meeting on September 24, considered the recommendation by the Joint Chiefs of Staff submitted by the Secretary of Defense in the enclosure to the reference memorandum of September 5 on the subject and noted the request of the Chairman, Joint Chiefs of Staff, that in view of the changed situation the Council suspend action on the recommendation, pending its reconsideration by the Joint Chiefs of Staff after consultation with General Ridgeway. The Council also directed the Senior NSC Staff to review the reference recommendation in the light of this reconsideration by the Joint Chiefs of Staff and to explore as a matter of urgency other practicable courses of action designed to achieve a settlement in Korea acceptable to the United States. (NSC Action No. 562.)

TOP SECRET

25X1

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)UNITED STATES OBJECTIVES AND COURSES OF ACTION IN KOREA(Cont'd)

Memorandum by the Joint Chiefs of Staff on the subject, which represents a reconsideration of the recommendations set forth in Appendix B to the reference Progress Report, was circulated as NSC 118 for the information of the Council with reference to NSC Action No. 562-a, and was referred to the Senior Staff for consideration in connection with NSC Action No. 562-b.

Draft statement of policy on the subject, prepared by the Senior NSC Staff pursuant to NSC Action No. 562-b in the light of the recommendations of the Joint Chiefs of Staff contained in NSC 118, was submitted as NSC 118/1 for consideration by the Council at an early meeting. An NSC staff study on the subject is being prepared by the Staff Assistants and will be circulated separately for Council information as an annex to NSC 118/1. (See same subject in Section 3-B.)

### 3. CURRENT NSC STAFF PROJECTS

#### A. SENIOR NSC STAFF

##### CONGRESSIONAL PUBLICATION OF INFORMATION OF ADVANTAGE TO FOREIGN GOVERNMENTS

(Memos for NSC from Executive Secretary, same subject, dated May 16, and June 15, 1951; Memos for Senior NSC Staff from Executive Secretary, same subject, dated December 3 and December 10, 1951; NSC Action No. 478)

Memorandum on the subject by the NSC Representative on internal security, transmitted by the reference memo of May 16, was discussed at the 92nd NSC Meeting. The Council directed the Senior NSC Staff, by the reference action, with the assistance of the Interdepartmental Committee on Internal Security (ICIS), to prepare recommendations on the subject for Council consideration in the light of the discussion.

Recommendations by the Senior NSC Staff, prepared with the assistance of representatives of the White House Staff and ICIS, were submitted by the reference memo of June 15 for consideration by the Council, the Secretary of the Treasury, the Attorney General and the Director of Defense Mobilization. On July 5 the Senior NSC Staff agreed that Council consideration of this memorandum should be deferred. At its meeting on November 20, in connection with a review of the NSC Status of Projects, the Senior NSC Staff agreed to review this problem at an early date, after consultation with the NSC Representative on Internal Security, with a view to completing or recommending cancellation of the project.

The Senior NSC Staff at its meeting on December 4, considered the subject on the basis of the reference memo of December 3, and agreed that the Executive Secretary should, in the light of the discussion, prepare a draft memorandum to the Council for consideration by the Senior Staff. Draft memorandum on the subject, prepared by the Executive Secretary to reflect the conclusions agreed upon by the Senior Staff at its meeting on December 4, is being transmitted by the reference memo of December 10, for consideration by the Senior Staff at its meeting on December 11.

TOP SECRET

25X1

CURRENT NSC STAFF PROJECTS (Cont'd)THE EASTERN MEDITERRANEAN AND MIDDLE EAST PRIORITY PROJECT

(Memo for Senior NSC Staff from Executive Secretary, same subject, dated December 12, 1950; NIE-14 and 26; Memo for Senior NSC Staff from Executive Secretary, subject:

"World-Wide Demand and Supply of Petroleum in Event of a Major War," dated August 3, 1951; Records of Senior NSC Staff Meetings, December 29, 1950 and July 10 and August 16, 1951; Memo for Senior NSC Staff from Executive Secretary, subject: "The Position of the United States with Respect to the General Area of the Eastern Mediterranean, Red Sea and Persian Gulf," dated October 5, 1951; NSC 117)

Memo by the Senior State Member on the subject transmitted by the reference memo of December 12 and considered by the Senior Staff on December 29, when it was agreed that an initial draft report should be prepared by State and that CIA should furnish an intelligence estimate of local attitudes and conditions which affect protection of our interests and the realization of our objectives. On February 23 the Senior NSC Staff agreed that this project should be completed as a matter of priority. CIA estimate circulated as NIE-26.

On July 10 the Senior Staff agreed that this report should proceed without awaiting completion of the related project on a national petroleum program (NSC 97, see Section 2-A above), but that the report should not be submitted for NSC consideration until the information being developed in connection with the petroleum report could be taken into account. On August 16 the Senior Staff discussed the report prepared by the Petroleum Administrator for Defense and transmitted by the reference memo of August 3, and agreed that this report should be studied further by the Senior Staff before finally completing a report on the Eastern Mediterranean and the Middle East. Draft statement of policy and NSC Staff study, which takes account of the preliminary material on the world oil situation being assembled in connection with the NSC 97 project, was prepared by the Department of State and transmitted by the reference memo of October 5 for the consideration of the Senior Staff.

~~TOP SECRET~~

25X1

CURRENT NSC STAFF PROJECTS (Cont'd)THE EASTERN MEDITERRANEAN AND MIDDLE EAST (Cont'd)

State Department amendments to the draft statement of policy were made available to the Senior Staff on October 24.

Memo from the Joint Chiefs of Staff on "The Anglo-Iranian Problem" was submitted to the Council at the request of the Secretary of Defense as NSC 117. At its meeting on October 24, the Senior NSC Staff discussed the draft report prepared by State together with NSC 117 and agreed that it should be referred to the Senior State, Defense, JCS and CIA members for the preparation of a revised draft in the light of the discussion. At its meeting on October 25 the Senior Staff, in connection with a discussion of the project on a national petroleum program, agreed that the revised draft report should take account of the importance of Middle Eastern oil to the free world both in war time and in peace time. Comments and suggestions by the Senior ODM member and a memorandum by the Senior Representative, PSB, both relating to the draft report, were transmitted to Senior State, Defense, JCS and CIA members for use in the preparation of a revised draft report. At its meeting on November 20 the Senior Staff agreed that NSC 117 should be listed in the Status of Projects as a reference in connection with the project on the Eastern Mediterranean and Middle East, rather than as a separate item. Awaiting preparation of a draft report by the Steering Committee. (See also related project below.)

RELATIVE COST OF ENSURING AVAILABILITY OF CERTAIN MIDDLE EAST OIL FACILITIES OR OF OFFSETTING THEIR LOSS

(Record of Meeting of Senior NSC Staff on November 27, 1951)

The Senior NSC Staff at its meeting on November 27, agreed that, in connection with but not necessarily as a part of the Mediterranean and Middle East project (see above), the Department of Defense should prepare a study of the cost of the military effort in terms of feasibility, time and material, and the forces required to ensure the continued availability of oil from the Bahrain-Qatar-Saudi Arabia area, and the Office of Defense Mobilization should prepare a study of the economic cost in terms of feasibility, time and material required to offset the loss of oil from that area. Awaiting report by Defense and ODM. (See also NSC 97 project in Section 2-A)

TOP SECRET

~~TOP SECRET~~

25X1

CURRENT NSC STAFF PROJECTS (Cont'd)CONDITIONS FOR A PEACEFUL SETTLEMENT  
WITH THE USSRPRIORITY PROJECT 7

(Records of Senior NSC Staff Meetings February 23 and May 24, 1951; NSC 79; NSC 112; NSC Action No. 511; Memo for NSC from Executive Secretary, subject: "United States and Allied Objectives in the Event of Global War," dated September 6, 1950)

On February 23 the Senior NSC Staff agreed that the NSC 79 project on United States and allied war objectives should be completed in two sections and that the section on the above subject, including a plan for reduction and regulation of armaments and armed forces, should be completed as a matter of priority. On May 24 the Senior Staff agreed that the completion of this project would provide an important background for obtaining popular support for U. S. national security policies.

Report by the Secretaries of State and Defense in connection with the plan referred to above, adopted by the Council (NSC Action No. 511) and approved by the President as NSC 112. On July 10, the Senior NSC Staff noted that NSC 112 was the first step toward completion of this project and that further work would proceed in the light of Council action on NSC 112. At its meeting on November 20, in connection with a review of the NSC Status of Projects, the Senior Staff agreed that the Senior State, Defense and JCS members, together with the Executive Secretary, would meet at an early date to review progress on this project. Awaiting report by the State, Defense and JCS members. (See also related projects below.)

UNITED STATES AND ALLIED WAR OBJECTIVES IN THE EVENT OF  
GLOBAL WAR

(NSC 79; Memo for NSC from Executive Secretary, same subject, dated September 6, 1950)

JCS memo (NSC 79) circulated for Council information and referred to the Staff for use in the preparation of a report. The Senior Staff designated an ad hoc group to draft a report to include both a statement of war objectives in the event of global war, and such related questions as a statement of the conditions that the U. S. would be willing to accept for a peaceful settlement with the USSR and its satellites. At the initial meeting of the ad hoc group under the chairmanship of the State member on October 6, 1950, the form and content of a response to the problems posed by NSC 79 were discussed and agreed upon.

TOP SECRET

25X1

CURRENT NSC STAFF PROJECTS (Cont'd)UNITED STATES AND ALLIED WAR OBJECTIVES IN THE EVENT OF GLOBAL WAR (Cont'd)

On February 23 the Senior Staff agreed that this project should be divided as follows: (1) a statement of U. S. and allied war objectives in the event of a global war; and (2) a statement of the conditions the U. S. would be willing to accept for a peaceful settlement with the USSR, including a plan for the reduction and regulation of armaments and armed forces. At its meeting on November 20, in connection with a review of the NSC Status of Projects, the Senior Staff agreed that the Senior State, Defense and JCS members, together with the Executive Secretary, would meet at an early date to review progress on this project. Awaiting initial draft by the State Policy Planning Staff of the project listed under (1) above. (See also related projects above and below.)

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY (NSC 68 Series; NSC 114 Series; NSC Action No. 575; Memo for Senior NSC Staff, from Executive Secretary, same subject, dated November 6, 1951)

The Council on October 17 (NSC Action No. 575-c), directed the Senior NSC Staff to submit for Council consideration at the earliest practicable date a reappraisal of the policies and programs set forth in the NSC 68 and 114 Series, including a revision of Part I of NSC 114/2 and in the light of: (1)

Further analysis of Soviet atomic capabilities as indicated by the recent explosion of another atomic bomb in the USSR; and (2) the current evaluation of the net capability of the USSR to injure the continental United States (see Section 4).

At its meeting on October 24, the Senior NSC Staff noted the statement by the Executive Secretary that the Senior State member had agreed to prepare a draft of the political and foreign policy considerations to be included in the reappraisal of the NSC 68 and 114 Series; and that the Senior Defense, JCS and CIA members would prepare a revision of the portions of Part I of NSC 114/2 relating to military capabilities, in the light of the two factors mentioned above.

At the request of the Director, Psychological Strategy Board, paragraphs on "Psychological Strategy in the Ensuing Years," prepared by the staff of the PSB, were circulated by the reference memo of November 6 for the information of the Senior Staff, and were referred to the Senior State member for consideration in connection with his preparation of the draft of the political and foreign policy considerations to be

CURRENT NSC STAFF PROJECTS (Cont'd)UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY  
(Cont'd)

included in the reappraisal of the NSC 68 and 114 Series. The Senior Staff at a meeting on November 20, in connection with a review of the NSC Status of Projects, agreed that a draft interim report on the subject, consisting of a re-appraisal of the probable world situation and U. S. policies required to meet it, should be ready for consideration by the Senior Staff not later than December 14. Awaiting preparation of a draft interim report by the departments and agencies concerned. (See also related projects above and below.)

SECURITY OF STRATEGICALLY IMPORTANT INDUSTRIAL OPERATIONS IN FOREIGN COUNTRIES

(Progress Report, dated July 24, 1951 by the Department of State on NSC 29; NSC Action No. 531)

By NSC Action No. 531 the Council referred the reference Progress Report to the Senior NSC Staff for recommendations regarding the desirability of a revision of the list of operations contained therein and the frequency of future progress reports by the Department of State. On September 27, in connection with a review of the NSC Status of Projects, the Senior Staff agreed that the State Department, with the assistance of a sub-committee composed of representatives from Defense, NSRB, ODM and CIA, would assume responsibility for the preparation of a draft report pursuant to NSC Action No. 531. Memorandum from the office of the Secretary of Defense dated October 2, 1951, which advised that recommendations by the Munitions Board for revision of the list of strategically important industrial operations would be submitted by December 15, 1951, has been transmitted to the Senior State member of the NSC Staff for his information and use in connection with this project. Awaiting report by State.

PROVISION FOR STATE FORCES

(NSC 96/1 and NSC 96; NSC Action No. 409; Memo for Members of Staff group from Executive Secretary, subject: "Provision for State Guard Forces," dated May 7, 1951; Memo for Senior NSC Staff from Executive Secretary, same subject, dated September 19, 1951)

At the request of the Secretary of Defense, NSC 96 on the subject was submitted for Council consideration. At its 77th

TOP SECRET

25X1

CURRENT NSC STAFF PROJECTS (Cont'd)PROVISION FOR STATE FORCES (Cont'd)

meeting, by the reference action, the Council agreed to request the Chairman, NSRB, to develop, in consultation with other interested agencies, a plan for the provision of essential Federal guidance and assistance to the States in organizing reserves to perform State and local security functions when the National Guard is ordered into active military service, this plan to include any necessary Federal legislation.

Report by the Chairman, NSRB, circulated for Council information as NSC 96/1 and referred to the NSC Staff for use in the preparation of a report for Council consideration. On April 12, the Senior Staff discussed NSC 96/1 and referred it to the Defense, JCS and NSRB Staff members together with officials from the Department of Justice, the Bureau of the Budget, and the Federal Civil Defense Administration, for use in the preparation of a report for Senior Staff consideration.

Draft outline, prepared by the Executive Secretary, transmitted to the above staff group by the reference memo, and discussed at a meeting on May 14. With some modifications, the outline was adopted as a working guide and the proposed assignments were accepted. A new draft report, prepared on the basis of material submitted by Defense, Justice and Civil Defense, in accordance with the agreed outline, was transmitted to the Senior Staff by the reference memo of September 19 and will be scheduled for discussion at an early Senior Staff meeting.

EVACUATION OF KEY INDIGENOUS PERSONALITIES FROM DANGER AREAS  
(Memos for Senior NSC Staff, from Executive Secretary, same subject, dated September 26, and December 5, 1951)

Draft report on the subject prepared by the Central Intelligence Agency, was transmitted to the Senior Staff for consideration by the reference memo as the basis for an NSC report. The Senior Staff at its meeting on September 27, agreed that the Staff Assistants, with the assistance of a representative of the Department of Justice, should review the reference report.

Revised draft report, prepared by the Staff Assistants (with the participation of representatives from the Department of Justice) on the basis of the initial CIA draft, was transmitted by the reference memo of December 5 and will be scheduled for consideration by the Senior Staff at an early meeting.

TOP SECRET

25X1

CURRENT NSC STAFF PROJECTS (Cont'd)B. NSC STAFF ASSISTANTS

UNITED STATES OBJECTIVES AND COURSES OF ACTION IN KOREA  
 (NSC 118 and NSC 118/1; Draft NSC Staff Study on the subject dated December 5, 1951 distributed at the meeting of the Senior NSC Staff on December 6, 1951)

The Senior Staff, at its meeting on December 6, approved submission of a draft statement of policy on the subject to the Council (NSC 118/1, see same subject in Section 2-B) and referred the reference draft NSC Staff study on the subject to the Staff Assistants for revision in the light of the Senior Staff's action on the draft statement of policy. The Senior Staff also approved submission of the staff study, when revised, to the Council for its information in connection with its consideration of the draft statement of policy. Awaiting revision of the draft NSC Staff study by the Staff Assistants.

UNITED STATES POLICY WITH RESPECT TO BERLIN AND EASTERN GERMANY

(NSC 89; NSC 73/4, par. 42; Memos for NSC from Executive Secretary, subject: "Additional Airlift to Support the Far East," dated September 27 and November 20, 1950; NSC Action No. 368; Memo for Senior NSC Staff from Executive Secretary, same subject, dated October 31, 1950; Memo for Senior NSC Staff from Executive Secretary, subject: "Courses of Action in the Event East Germany Imposes a Blockade in Berlin", dated February 16, 1951; Memo for Senior NSC Staff from Executive Secretary, subject: "United States Policy With Regard to a Possible New Berlin Blockade," dated March 27, 1951; NIE-4)

At its 69th Meeting the Council noted the reference memo of September 27, 1950, and the fact that the situation presented therein would be taken into consideration in the studies on the Berlin blockade referred to in par. 42 of NSC 73/4. Memoranda on the subject by the Deputy Under Secretary of State and the Secretary of Defense were circulated for Council information as NSC 89, and referred to the NSC Staff for use in connection with this staff project. JCS study on airlift capabilities circulated to Senior Staff by the reference memo of October 31, 1950. Subsequent memo by the Deputy Secretary of Defense (reference memo of November 20, 1950) circulated for Council information and referred to the Staff for consideration in connection with this project. Views of the JCS on "Courses

CURRENT NSC STAFF PROJECTS (Cont'd)UNITED STATES POLICY WITH RESPECT TO BERLIN AND EASTERN GERMANY (Cont'd)

of Action in the Event East Germany Imposes a Blockade in Berlin" circulated by the reference memo of February 16 to the Senior Staff for consideration in connection with this project upon the recommendation of the Secretary of Defense. NIE-4, issued by CIA, relates to the above subject.

On February 23 the Senior Staff noted that the JCS views would be taken into account in the early completion of a draft report on "U. S. Policy With Respect to Berlin and Eastern Germany," now under preparation in the Department of State in collaboration with the Department of Defense. Report by State circulated by reference memo dated March 27, considered by the Senior Staff on April 3 and referred to the Staff Assistants for revision in the light of the discussion. At its meeting on November 20, in connection with a review of the NSC Status of Projects, the Senior Staff agreed that the Staff Assistants should endeavor to complete this project as soon as possible. Awaiting initial draft by ad hoc group of Staff Assistants.

POSITION OF THE UNITED STATES WITH RESPECT TO SCANDINAVIA  
(Progress Report dated November 14, 1950 on NSC 28/1 and NSC 32/1; NSC 88; Memo for Senior NSC Staff from Executive Secretary, subject, "U. S. Courses of Action in the Event the Soviets Attempt to Close the Baltic", dated March 26, 1951; Record of Senior Staff Meeting on April 3, par. 3; Memo for Senior NSC Staff from Executive Secretary, same subject, dated August 2, 1951)

On December 13, 1950, the Senior NSC Staff directed the Staff Assistants to prepare a draft revision of NSC 28/1 for consideration by the Senior Staff.

On October 17, 1950, NSC 88, "U. S. Courses of Action in the Event the Soviets Attempt to Close the Baltic," was circulated for Council information and referred to the NSC Staff for preparation of a report for Council consideration. In view of recommendations made by the Staff Assistants in the reference memo of March 26, the Senior Staff agreed on April 3 that a statement of policy and a staff study on the subject of NSC 88 should be incorporated in the draft report on "The Position of the United States With Respect to Scandinavia," and that completion of this project should be expedited.

CURRENT NSC STAFF PROJECTS (Cont'd)POSITION OF THE UNITED STATES WITH RESPECT TO SCANDINAVIA  
(Cont'd)

At its meeting on August 7 the Senior Staff with Mr. W. Walton Butterworth, United States Ambassador to Sweden, participating, discussed an initial draft report prepared by State and circulated by the reference memo of August 2. The Senior Staff referred the draft report to the Staff Assistants for revision in the light of Senior Staff discussion and agreed that this revision should be a complete report which, if adopted, could supersede previous reports on the subject and should apply to Finland and the Baltic as well as to Denmark, Norway and Sweden. At its meeting on November 20, in connection with a review of the NSC Status of Projects, the Senior Staff agreed that the Staff Assistants should endeavor to complete this project as soon as possible.

Revised draft report, prepared by State, was circulated on December 5 for consideration by the Staff Assistants at an early meeting.

EFFECTIVE UTILIZATION OF THE CIVILIAN MANPOWER OF NON-SOVIET NATIONS FOR WORK OF VALUE TO THE MOBILIZATION PROGRAM

(Memos for Senior NSC Staff from Executive Secretary, subject, "Proposed NSC Study of Use of Foreign Manpower for Production," dated March 29 and April 16, 1951; Memo for Senior NSC Staff from Executive Secretary, same subject, dated October 17, 1951)

Memos by the Acting Senior NSRB Member and by the Senior ODM Member transmitted by the reference memos of March 29 and April 16, respectively, were considered by the Senior Staff on April 17. It was agreed that ODM should undertake the preparation of a report on the subject for consideration by the NSC Staff along the lines proposed by ODM in the report attached to the reference memo of April 19. The Staff further agreed to the inclusion of NSRB and Mr. Harriman's Office among the agencies to be consulted by ODM.

Draft statement of policy prepared by an inter-agency group under the chairmanship of ODM and including representatives of the Departments of State, Defense and Labor, ECA, NSRB and Mr. Harriman's Office was transmitted to the Senior Staff for consideration by the reference memo of October 17 together with a memo from the Senior ODM Member and the comments of the inter-agency group in explanation of the proposed statement of policy.

CURRENT NSC STAFF PROJECTS (Cont'd)EFFECTIVE UTILIZATION OF THE CIVILIAN MANPOWER OF NON-SOVIET NATIONS FOR WORK OF VALUE TO THE MOBILIZATION PROGRAM (Cont'd)

The Senior Staff at its meeting on October 30 considered the draft report and referred it to the NSC Staff Assistants, with the advice and assistance of representatives of the other departments and agencies concerned, for the preparation of a revised report in the light of the discussion. The draft report was discussed by the Staff Assistants, augmented by representatives of the Departments of Justice and Labor and of ECA, at meetings on November 1 and 2 and referred to a drafting group for revision in the light of the discussion. Memorandum from the ECA representative together with its attached redraft of paragraph 5 of the draft report, and an ECA airgram on the ECA Production Assistance Program were circulated on November 16 for the information of the Staff Assistants and are being considered in the preparation of a revised draft report by the drafting group. Draft statement of policy on the subject, prepared by the drafting group, was circulated to the Staff Assistants on November 29. Awaiting consideration by the Staff Assistants of the draft statement of policy.

UTILIZATION OF MANPOWER OF OTHER NATIONS FOR MILITARY PURPOSES  
(NSC 108 and memo for all holders of NSC 108, dated April 24, 1951; Memo for NSC from Executive Secretary, same subject, dated May 8, 1951; NSC Action No. 472; Memo for Senior NSC Staff from Executive Secretary, subject: "Effective Utilization of Civilian Manpower of Non-Soviet Nations for Work of Value to the Mobilization Program," dated October 17, 1951)

At the suggestion of the Senior State Member, the Senior NSC Staff on December 12 agreed to designate an ad hoc group under the Chairmanship of a JCS official and with officials from State, NSRB, Mr. Harriman's Office, and CIA, to prepare a draft report on the subject.

The report by the ad hoc committee was considered and amended by the NSC Staff for submission to the NSC as NSC 108. JCS views circulated by the reference memo. At its 91st Meeting the NSC referred NSC 108 to the NSC Staff for reconsideration. On May 17 the Senior Staff referred NSC 108 to the Staff Assistants for revision in the light of the discussion.

On June 13 the Staff Assistants agreed that an initial draft on the subject of civilian manpower should be completed with a view to the subsequent preparation of a report combining the civilian and military aspects of the subject for Senior Staff consideration. At a meeting on November 2 in connection

CURRENT NSC STAFF PROJECTS (Cont'd)UTILIZATION OF MANPOWER OF OTHER NATIONS FOR MILITARY PURPOSES (Cont'd)

with their consideration of the draft report on civilian manpower (see project above) the Staff Assistants agreed that, when a revision of the latter report was transmitted to the Senior Staff, the Staff Assistants should recommend to the Senior Staff the cancellation of the project on military manpower. Awaiting completion of action on the civilian manpower project.

CURRENT NSC STAFF PROJECTS (Cont'd)

C. OTHER CURRENT NSC STAFF PROJECTS

RELEASE OF INFORMATION REGARDING NEW WEAPONS

(Memo for NSC Consultants and AEC Representative, from Executive Secretary, same subject, dated July 5, 1950)

At the direction of the President, the Council and the Chairman of the Atomic Energy Commission undertook a consideration of the general problem of weapons information, including atomic weapons, in order to make appropriate recommendations to the President on the subject. A draft report, prepared by the Executive Secretary in accordance with the discussion at a meeting on June 22, 1950, was circulated to the NSC Staff and a representative of the AEC by the reference memo. At a meeting on November 20, 1951, in connection with a review of the NSC Status of Projects, the Senior NSC Staff agreed that this project should be referred to the Psychological Strategy Board for appropriate action. Awaiting report by the Psychological Strategy Board.

4. OTHER CURRENT COUNCIL PROJECTSGOVERNMENT EMPLOYEE SECURITY PROGRAM  
(NSC 113)

A letter by the President on the subject was transmitted as NSC 113 for the information of the Council, and referred to the ICIS for preparation of a response for Council consideration, as directed by the President in the fourth paragraph thereof. As further directed by the President, the Chairman, Civil Service Commission, has been requested to participate with the Council, the Secretary of the Treasury, the Attorney General and the Director of Defense Mobilization in this project. Awaiting report by the ICIS.

ELIGIBILITY OF FOREIGN REPRESENTATIVES TO RECEIVE CLASSIFIED INFORMATION

(Memos for NSC from Executive Secretary, same subject, dated June 14, and November 19, 1951; NSC Action No. 507)

Memorandum by the Chairman, Interdepartmental Committee on Internal Security (ICIS), and attached draft Presidential directive together with a report and proposed regulations on the subject, were transmitted by the reference memo of June 14 for consideration by the Council, the Secretary of the Treasury, the Attorney General, the Director of Defense Mobilization and the Chairman, Atomic Energy Commission. Approved by ODM, June 19; by Justice, June 21; by State, June 28; by Treasury, June 29; by NSRB, July 2; by AEC, July 9.

The Acting Secretary of Defense on July 2 recommended that the Council defer action on this memorandum until the Standing Group of the NATO has had an opportunity to examine the proposed regulations. On July 11 the NSC agreed that further consideration should be deferred, pending the outcome of the NATO negotiations, as recommended by the Acting Secretary of Defense (NSC Action No. 507).

Memorandum from the Office of the Secretary of Defense and its attached report on the present status of negotiations within NATO were circulated by the reference memo of November 19 for the information of the Council, the Secretary of the Treasury, the Attorney General, the Director of Defense Mobilization and the Chairman, Atomic Energy Commission. In accordance with the proposal by the Department of Defense in the first sentence of the memorandum, the draft Presidential directive and related papers on the subject, transmitted by the reference memo of June 14, were referred back to the ICIS for reconsideration in the light of this memorandum from the Department of Defense. Awaiting report by the ICIS.

TOP SECRET

Approved For Release 2003/09/29 : CIA-RDP80R01731R003700040011-0

25X1

OTHER CURRENT COUNCIL PROJECTS (Cont'd)

A PROJECT TO PROVIDE A MORE ADEQUATE BASIS FOR PLANNING FOR THE SECURITY OF THE UNITED STATES

(Memos for NSC from Executive Secretary, same subject, dated June 5, July 17 and 30 and August 7, 1951; NSC Action No. 519; NSC Action No. 543)

Memorandum by the Chairman, Interdepartmental Committee on Internal Security, and its attached report by the ICIS on the subject, were transmitted by the reference memo of June 5 for Council consideration of the "Recommendations" contained in Part VII thereof and of the proposed National Security Council Directive. Prior to Council action, at the direction of the President, the views of the Director of Central Intelligence were requested and transmitted by the reference memo of July 17 for consideration by the Council concurrently with the ICIS report. JCS views submitted by the reference memo of July 30.

At its meeting on August 1 the Council agreed to the four steps proposed by the JCS in paragraph 3 of the reference memo of July 30, subject to the assignment of paragraph 3-b to the Interdepartmental Intelligence Conference. The Council also agreed that the resulting reports should be integrated into a single report to it under the coordination of the Director of Central Intelligence with the assistance of representatives of the appropriate departments and agencies. The Director of Central Intelligence undertook to prepare a directive along these lines for consideration by the Council.

25X1

Draft directive on the subject, prepared by the Director of Central Intelligence was approved by the Council, the Secretary of the Treasury, the Attorney General and the Director of Defense Mobilization (NSC Action No. 543). Awaiting report by the Director of Central Intelligence.

DEFENSE ORDER PRIORITY RATINGS FOR AUSTRIAN STEEL MILL EQUIPMENT

(Memo for NSC from Executive Secretary, same subject, dated November 13, 1951; NSC Action No. 581)

The Council, at its meeting on November 28 with the Secretary of Commerce and the Acting Economic Cooperation Administrator participating (NSC Action No. 581), discussed the memorandum by the Secretary of Defense on the subject transmitted by the reference memo, and referred it to the Secretary of Defense and the Director of Defense Mobilization for further consideration in the light of the discussion. Awaiting results of further consideration by the Secretary of Defense and the Director of Defense Mobilization.

## 5. CANCELLED PROJECTS

### ANALYSIS OF THE SOVIET BLOC'S TRADE WITH THE FREE WORLD

At its meeting on September 28, the Special Committee on East-West Trade agreed that since the data on the trade of the free world with the Soviet Bloc had been accumulated on a country-by-country basis in the various NSC Determinations under Section 1302, the Committee should devote its attention to assessing the contribution which that trade as a whole makes to the Soviet Bloc. The Special Committee agreed that the Department of Commerce should be urged to push to completion an analysis along these lines.

The Senior Staff at a meeting on November 15, with senior representatives of the Department of Commerce, the Economic Cooperation Administration and the Export-Import Bank participating, agreed that the Department of State and the Office of the Director for Mutual Security should make appropriate arrangements regarding this project. The Council on December 8 dissolved the Special Committee on East-West Trade (NSC Action No. 590, see Section 1). Accordingly, pursuant to the action of the Senior Staff at its meeting on November 15, this project is being referred to the Senior State and Mutual Security Members of the NSC Staff for appropriate action.

### JAPANESE TRADE WITH MANCHURIA AND COMMUNIST CHINA

(Memo for Special Committee, from Assistant Executive Secretary, same subject, dated September 27, 1951)

Memorandum on the subject prepared by the Office of the Special Assistant to the President (Mr. Harriman) and transmitted by the reference memo, was considered at the meeting of the Special Committee on September 28 and referred to a subcommittee composed of representatives of State, Defense, Commerce and the Office of the Special Assistant to the President for the preparation of a draft report for Council consideration.

The Senior Staff at a meeting on November 15 with senior representatives of the Department of Commerce, the Economic Cooperation Administration and the Export-Import Bank participating, agreed that the Department of State and the Office of the Director for Mutual Security should make appropriate arrangements regarding this project. The Council on December 8 dissolved the Special Committee on East-West Trade (NSC Action No 590, see Section 1). Accordingly, pursuant to the action of the Senior Staff at its meeting on November 15, this project is being referred to the Senior State and Mutual Security Members of the NSC Staff for appropriate action.

CANCELLED PROJECTS (Cont'd)DECREASING RELIANCE ON TRADE WITH THE SOVIET BLOC

(Memo for Special Committee from Assistant Executive Secretary, subject: "Problems Associated with the Extension of Security Control in Trade with the Soviet Bloc", dated July 3, 1951; Memo for State Member from Assistant Executive Secretary, same subject, dated July 13, 1951; Memo for Special Committee from Deputy Executive Secretary, same subject, dated August 23, 1951; NSC 104/2, paragraphs 21, 22, 23; Progress Report, dated September 21, 1951, by the Acting Secretary of State on "U.S. Policies and Programs in the Economic Field Which May Affect the War Potential of the Soviet Bloc, (NSC 104/2)")

Preliminary ECA study on the subject, transmitted by the reference memo of July 3, was discussed by the Special Committee on East-West Trade on July 11, when it was noted that a special interdepartmental group under State leadership would prepare appropriate reports, in accordance with NSC 104/2, on (1) proposals with respect to current individual problems such as Polish coal and UK coarse grain imports; and (2) proposals with respect to the over-all problem of reducing reliance of the free world upon Soviet Bloc trade.

Preliminary draft report, "Coal in East-West Trade," prepared by the ECA member of the Special interdepartmental group and a progress report prepared by the State member and transmitted by the reference memo of August 23 were discussed at the meeting of the Special Committee on August 24. Preliminary draft reports, "Lumber in East-West Trade" and "Bread Grains and Coarse Grains in East-West Trade," prepared by the ECA member of the special interdepartmental group were distributed for the information of the Committee at its meetings on August 31 and September 10 respectively.

The Senior Staff at a meeting on November 15 with senior representatives of the Department of Commerce, the Economic Cooperation Administration and the Export-Import Bank participating, agreed that the Department of State and the Office of the Director for Mutual Security should make appropriate arrangements regarding this project. The Council on December 8 dissolved the Special Committee on East-West Trade (NSC Action No. 590, see Section 1). Accordingly, pursuant to the action of the Senior Staff at its meeting on November 15, this project is being referred to the Senior State and Mutual Security Members of the NSC Staff for appropriate action.

**TOP SECRET**

25X1



TOP SECRET

Approved For Release 2003/09/29 : CIA-RDP80R01731R003700040011-0  
SIGNATURE RECORD AND COVER SHEET

DOCUMENT DESCRIPTION	REGISTRY
SOURCE: NSC DATE OF DOCUMENT: 10 December 1951 COPY NUMBER (S): 12 NUMBER OF PAGES: 21 DOCUMENT NO. - NUMBER OF ATTACHMENTS: none	CIA CONTROL NUMBER: #62833 DATE DOCUMENT RECEIVED: 11/December 1951 LOGGED BY: pmg

**ATTENTION:** THIS FORM WILL BE ATTACHED TO EACH TOP SECRET DOCUMENT RECEIVED BY THE CENTRAL INTELLIGENCE AGENCY OR CLASSIFIED TOP SECRET WITHIN THE CIA AND WILL REMAIN ATTACHED TO THE DOCUMENT UNTIL SUCH TIME AS IT IS DOWNGRADED, DESTROYED OR TRANSMITTED OUTSIDE OF CIA. ACCESS TO TOP SECRET MATERIAL IS LIMITED TO THOSE INDIVIDUALS WHOSE OFFICIAL DUTIES RELATE TO THE MATERIAL. EACH ALTERNATE OR ASSISTANT TOP SECRET CONTROL OFFICER WHO RECEIVES AND/OR RELEASES THE ATTACHED TOP SECRET MATERIAL WILL SIGN THIS FORM AND INDICATE PERIOD OF CUSTODY IN THE LEFT-HAND COLUMNS PROVIDED. THE NAME OF EACH INDIVIDUAL WHO HAS SEEN THE TOP SECRET DOCUMENT AND THE DATE OF HANDLING SHOULD BE INDICATED IN THE RIGHT-HAND COLUMNS.

**NOTICE OF DETACHMENT**

WHEN THIS FORM IS DETACHED FROM TOP SECRET MATERIAL IT WILL BE COMPLETED IN THE APPROPRIATE SPACES BELOW AND TRANSMITTED TO CENTRAL TOP SECRET CONTROL FOR RECORD.

The Top Secret material detached from this form was:

BY: \_\_\_\_\_  
(SIGNATURE)

(SIGNATURE)

DESTROYED

**DISPATCHES**

DISPATCHED (OUTSIDE CIA) 10.

(OFFICE)

(DATE)

Approved For Release 2003/09/29 : CIA-RDP80R01731R003700040011-0  
TOP SECRET